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FM AMEMBASSY NEW DELHI
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4634
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 5914
RUEHMO/AMEMBASSY MOSCOW 1899
RUEHKO/AMEMBASSY TOKYO 4771
RUEKJCS/SECDEF WASHDC
RUEAIIA/CIA WASHDC
RHEHNSC/NSC WASHDC
RUEIDN/DNI WASHINGTON DC
RHHMUNA/CDR USPACOM HONOLULU HI
RUCNDT/USMISSION USUN NEW YORK 4341
RHMFISS/HQ USCENCOM MACDILL AFB FL
RUEHGV/USMISSION GENEVA 6686
RHHMUNA/HQ USPACOM HONOLULU HI
RHMFISS/HQ USSOCOM MACDILL AFB FL
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 NEW DELHI 001675

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TAGS: [PGOV](#) [KDEM](#) [PREL](#) [PINR](#) [IN](#)

SUBJECT: BJP WINS BIG IN DELHI LOCAL ELECTIONS

REF: A. 06 NEW DELHI 7827

[1](#)B. NEW DELHI 1536

Classified By: PolCouns Ted Osius for reasons 1.4 (B,D)

VOTERS OPT FOR THE BJP

[1](#)1. (C) On April 5, the Bharatiya Janata Party (BJP) swept Delhi's Municipal Council polls, winning 164 of 272 seats (60 percent), reducing Congress from 103 seats to 67. The widely-predicted outcome boosted BJP spirits on the eve of the multi-stage Uttar Pradesh (UP) elections. After its victories in Punjab and Uttarakhand, the BJP has declared the Delhi outcome to be another nail in the coffin of the beleaguered UPA government and is expressing increasing confidence that it can win the 2009 Parliamentary elections and unseat the UPA.

CONGRESS GETS HIT IN THE GUT

[1](#)2. (U) In the previous MCD polls, Congress won 103 seats, the BJP 19, Mayawati's Bahujan Samaj Party (BSP) 1, and Independents and other smaller parties 24. This year, with 272 seats up for grabs, the BJP took 164, leaving Congress with just 67, while the BSP picked up 17, and Independents and other smaller parties took five. The two primary issues that hurt Congress were the sealing and demolition of illegal businesses in residential areas (reftel A), which impacted the livelihood of hundreds of thousands of Delhi traders, and on-going consumer angst over inflation, which has increased the cost of basic food items. Aside from a few minor incidents, voting was peaceful.

CONGRESS LEADERSHIP MIGHT FACE CHALLENGES

[1](#)3. (C) The severity of the defeat has resulted in calls for a total shake-up of the Delhi Congress party. Although the Congress thrashing resulted from its poor handling of the sealing issue (reftel A), widespread corruption, and

inflation, Chief Minister Sheila Dixit and other Congress leaders have refused to accept responsibility. On April 2, Hindustan Times Political Editor Pankaj Vohra asserted to Poloff that a BJP victory would pose a serious challenge to the continued leadership of Delhi Chief Minister Sheila Dixit. However, fully aware that Congress was headed for defeat, Dixit moved to avoid blame by deliberately restricting her campaigning to a few select Congress strongholds. As a result, Congress won 10 of the 12 constituencies in which she campaigned. Dixit is using these results to bolster her case to the Congress high command that she remains as popular as ever and head off calls for her resignation or replacement. Dixit and Delhi Congress President Ram Babu Sharma know this election outcome could destroy their political careers and have tried to pass the buck and blame each other for the defeat.

COMMENT: RISING LOTUS TIDE FOR UTTAR PRADESH

14. (C) With victory following victory across the country, from local elections in Maharashtra and UP to state Assembly elections in Punjab and Uttarakhand, Delhi is another notch in the BJP belt. Anti-incumbency is clearly taking a heavy toll on Congress and its 2009 national election prospects are growing dimmer. In addition, the performance in Delhi of Mayawati's pro-Dalit BSP demonstrated that it is making a significant dent in Congress's traditional vote banks of Dalits and minorities. An increasingly desperate Congress leadership is hoping against hope that a better than expected performance in Uttar Pradesh will restore its shattered confidence (septel). Meanwhile, onion prices and anti-incumbency are putting a strut in the BJP's step.

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